

Introduction

The essence of decision-aiding software is that it consists of various forms of microcomputer programming designed to enable users to process a set of goals to be achieved, alternatives available for achieving them, and relations between goals and alternatives in order to choose the best alternative, combination, allocation, or predictive decision-rule.

Decision-aiding software should be distinguished from at least two other kinds of software that are relevant to making decisions but do not process goals, alternatives, and relations in order to arrive at prescriptive conclusions. One related type of software is information retrieval software. It can be very useful for determining such matters as the amount of money spent on a certain expense item in a certain year, the court cases that are relevant to a particular subject, or any kind of information that might be contained in a statistical almanac, encyclopedia, or other compendium of information. The second related type of software is office practice software, which can be useful for word processing reports, filing and retrieving in-house information, or doing bookkeeping relevant to financial matters. That kind of software is useful for organizing the decision-making processes of a government agency, a law firm, or any kind of office. Such software, however, does not process goals, alternatives, and relations to arrive at prescriptive conclusions.

Decision-aiding software can take a variety of forms. The most common might be the following:

1. Decision tree software for making decisions under conditions of risk, such as whether to go on strike or accept a management offer. A decision tree is usually pictured as looking like a tree on its side with branches and subbranches. The



COMPUTER-AIDED DECISION ANALYSIS

100

100

100

COMPUTER-AIDED DECISION ANALYSIS

Theory and Applications

Edited by STUART S. NAGEL

Q

Quorum Books
WESTPORT, CONNECTICUT • LONDON

658.403
C7382
C.2

Library of Congress Cataloging-in-Publication Data

Computer-aided decision analysis : theory and applications / edited by
Stuart S. Nagel.

p. cm.

Includes index.

ISBN 0-89930-771-X

1. Decision-making—Data processing. 2. Decision support systems.

I. Nagel, Stuart S.

HD30.23.C654 1993

658.4'03'0285—dc20 92-38003

British Library Cataloguing in Publication Data is available.

Copyright © 1993 by Stuart S. Nagel

All rights reserved. No portion of this book may be
reproduced, by any process or technique, without the
express written consent of the publisher.

Library of Congress Catalog Card Number: 92-38003

ISBN: 0-89930-771-X

First published in 1993

Quorum Books, 88 Post Road West, Westport, CT 06881

An imprint of Greenwood Publishing Group, Inc.

Printed in the United States of America



The paper used in this book complies with the
Permanent Paper Standard issued by the National
Information Standards Organization (Z39.48-1984).

10 9 8 7 6 5 4 3 2 1

Copyright Acknowledgment

The editor, contributors, and publisher are grateful for permission to reprint
portions of Chapter 7, originally published in Ron Janssen's *Multiobjective Deci-
sion Support for Environmental Management* (Dordrecht: Kluwer Academic
Publishers, 1992), 108-121. Copyright © 1992 Kluwer Academic Publishers.
Reprinted by permission of Kluwer Academic Publishers.

Dedicated to improving
the benefits of
computer-aided decision analysis

University Libraries
Carnegie Mellon University
Pittsburgh PA 15213-3890

Contents

	INTRODUCTION	ix
Part One:	Comparing across Software Packages	1
1	The Evaluation of Decision Aids <i>Bernd Rohrmann and Holger Schütz</i>	5
2	The Idea of Decision Support <i>Charles Vlek, Danielle Timmermans, and Wilma Otten</i>	33
3	A Psychological Process Perspective on Decision Making <i>Ola Svenson</i>	69
Part Two:	Approaches Based on Management Science/ Operations Research	91
4	A Comparison of Linear Programming Software on Microcomputers <i>Ramesh Sharda</i>	95
5	Influence Diagrams for Decision Analysis <i>Jim McGovern, Danny Samson, and Andrew Wirth</i>	107

Part Three:	Spreadsheet-based Software	123
6	Spreadsheet-based Decision Support <i>Steven Sonka and Michael Hudson</i>	127
7	A Spreadsheet System to Support the Decision-Making Process <i>Ron Janssen</i>	145
Part Four:	Expert Systems Software	165
8	Program Evaluation via Function-based Expert Systems <i>Paul J. Hoffman</i>	167
9	Knowledge-based Explanation in Multiattribute Decision Making <i>Marko Bohanec and Vladislav Rajkovič</i>	189
Part Five:	General Applications and Utilization	205
10	Decision-Aiding Software for Group Decision Making <i>Floyd Lewis</i>	207
11	Utilization of Decision-Aiding Software in the U.S. Government <i>Fred Wood</i>	233
	BIBLIOGRAPHY	257
	AUTHOR INDEX	269
	SUBJECT INDEX	277
	ABOUT THE EDITOR AND CONTRIBUTORS	281